



JENNIFER M. GRANHOLM
GOVERNOR

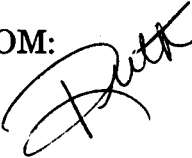
STATE OF MICHIGAN
OFFICE OF THE STATE BUDGET
LANSING

ROBERT L. EMERSON
DIRECTOR

April 12, 2007

MEMORANDUM

TO: Finance, Administrative, and Human Resource Officers
All State Agencies

FROM:  Ruth Mealy, Director
Payroll and Tax Reporting Division
Office of Financial Management

SUBJECT: Revision of 2006-2007 Contribution Rates for Retirement

In accordance with Executive Order 2007-3, employer contribution rates for fiscal year 2006-2007 have been revised for the remainder of the fiscal year as summarized below.

Retirement Code	Current Rate	Revised Rate
RE01	33.22%	10.22%
RE02/17	51.34%	37.12%
RE04	30.30%	10.49%
RE26	40.31%	9.55%

The attached table has been updated to reflect this change. These changes in the table will be effective with the May 3, 2007 pay date.

Please refer any questions regarding this memo to Peter Woodford, Office of Financial Management, Payroll and Tax Reporting Division at (517) 335-3588.

Attachment

cc w/att: N. Duncan
M. Moody
L. Mester
D. Ringler
P. Lack
P. Stoddard - ORS
J. Winters - DCS
T. Hall - OSE
D. Pintacura

OSB Directors
PTR Staff
J. Paxton
J. Hallitt

SOCIAL SECURITY, MEDICARE, AND RETIREMENT RATES
April 8, 2007

Rtmt. Code	Calendar Yr. Earnings	Employee Share				State Share			
		Social Security	Medicare	Retirement	Total	Social Security	Medicare	Retirement	Total
01	\$0 - \$97,500	6.20%	1.45%	0.00%	7.65%	6.20%	1.45%	10.22%	17.87%
	Over \$97,500	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%	10.22%	11.67%
02	All	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	37.12%	37.12%
03	\$0 - \$97,500	6.20%	1.45%	0.00%	7.65%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%
04	\$0 - \$97,500	6.20%	1.45%	0.00%	7.65%	6.20%	1.45%	10.49%	18.14%
	Over \$97,500	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%	10.49%	11.94%
05	\$0 - \$97,500	6.20%	1.45%	0.00%	7.65%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%
06	All	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
07	\$0 - \$97,500	6.20%	1.45%	0.00%	7.65%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%
08	\$0 - \$97,500	6.20%	1.45%	3.50%	11.15%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	3.50%	4.95%	0.00%	1.45%	0.00%	1.45%
09	\$0 - \$97,500	6.20%	1.45%	9.00%	16.65%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	9.00%	10.45%	0.00%	1.45%	0.00%	1.45%
10	\$0 - \$97,500	6.20%	1.45%	1.50%	9.15%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	1.50%	2.95%	0.00%	1.45%	0.00%	1.45%
11	\$0 - \$97,500	6.20%	1.45%	0.00%	7.65%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%

SOCIAL SECURITY, MEDICARE, AND RETIREMENT RATES
April 8, 2007

Rtmt. Code	Calendar Yr. Earnings	Employee Share				State Share			
		Social Security	Medicare	Retirement	Total	Social Security	Medicare	Retirement	Total
12	\$0 - \$97,500	6.20%	1.45%	5.00%	12.65%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	5.00%	6.45%	0.00%	1.45%	0.00%	1.45%
13	\$0 - \$97,500	6.20%	1.45%	3.58%	11.23%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	3.58%	5.03%	0.00%	1.45%	0.00%	1.45%
14	\$0 - \$97,500	6.20%	1.45%	8.36%	16.81%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	8.36%	9.81%	0.00%	1.45%	0.00%	1.45%
15	\$0 - \$97,500	6.20%	1.45%	8.38%	16.03%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	8.38%	9.83%	0.00%	1.45%	0.00%	1.45%
16	\$0 - \$97,500	6.20%	1.45%	3.59%	11.24%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	3.59%	5.04%	0.00%	1.45%	0.00%	1.45%
17	All	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%	37.12%	38.57%
18	All	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
19	All	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
20	All	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
22	All	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
23	All	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%
24	\$0 - \$97,500	6.20%	1.45%	5.23%	12.88%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	5.23%	6.68%	0.00%	1.45%	0.00%	1.45%

SOCIAL SECURITY, MEDICARE, AND RETIREMENT RATES

April 8, 2007

Rtmt. Code	Calendar Yr. Earnings	Employee Share				State Share			
		Social Security	Medicare	Retirement	Total	Social Security	Medicare	Retirement	Total
25	\$0 - \$4,200	6.20%	1.45%	3.00%	10.65%	6.20%	1.45%	0.00%	7.65%
	\$4,200 - \$97,500	6.20%	1.45%	5.00%	12.65%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	5.00%	6.45%	0.00%	1.45%	0.00%	1.45%
26	\$0 - \$97,500	6.20%	1.45%	0.00%	7.65%	6.20%	1.45%	9.55%	17.2%
	Over \$97,500	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%	9.55%	11.00%
27	\$0 - \$97,500	6.20%	1.45%	7.00%	14.65%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	7.00%	8.45%	0.00%	1.45%	0.00%	1.45%
30	\$0 - \$97,500	6.20%	1.45%	13.50%	21.15%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	13.50%	14.95%	0.00%	1.45%	0.00%	1.45%
31	\$0 - \$97,500	6.20	1.45%	10.46%	18.11%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	10.46%	11.91%	0.00%	1.45%	0.00%	1.45%
32	\$0 - \$97,500	6.20	1.45%	10.40%	18.05%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	10.40%	11.85%	0.00%	1.45%	0.00%	1.45%
40	\$0 - \$97,500	6.20%	1.45%	Varies ¹	Varies 7.65%-10.65%	6.20%	1.45%	Varies ²	Varies 23.85-26.85%
	Over \$97,500	0.00%	1.45%	0-3%		0.00%	1.45%	16.20 – 19.20%	17.65-20.65%
50	\$0 - \$97,500	6.20%	1.45%	Varies ¹	Varies 7.65%-10.65%	6.20%	1.45%	Varies ³	Varies 11.65-14.65%
	Over \$97,500	0.00%	1.45%	0-3%		0.00%	1.45%	4-7%	5.45-8.45%
52	\$0 - \$97,500	6.20%	1.45%	Varies ¹	Varies 9.65%-12.65%	6.20%	1.45%	Varies ³	Varies 11.65-14.65%
	Over \$97,500	0.00%	1.45%	2-5%		0.00%	1.45%	4-7%	5.45-8.45%
60	\$0 - \$97,500	6.20%	1.45%	Varies ¹	Varies 7.65%-10.65%	6.20%	1.45%	Varies ³	Varies 11.65-14.65%
	Over \$97,500	0.00%	1.45%	0-3%		0.00%	1.45%	4-7%	5.45-8.45%

¹ Code DZ40 or DJ40 varies from 0.00% to 3.00%, depending on employee election.

² Includes mandatory state share (DZ4S) (4.00%), state match of optional employee share (DZ40) (0.00% to 3.00%), and state share for post-retirement health insurance benefits (RE40) (12.20%).

³ The contribution for codes DZ4S & DJ4S is 4.0%. The contribution for codes DZ40 and DJ40 varies from 0.00% to 3.0%.